## Testimony of G. Kit Holz Project Manager CALC/Hilo Public Library

Before the Hawaii Public Utilities Commission
Docket No. 04-0140
Hilo Public Hearing
October 20, 2004

Good evening Chairman Caliboso and Commissioner Kawelo. Thank you for this opportunity to provide comments to you tonight regarding the sale of Verizon Hawaii to The Carlyle Group.

My name is Kit Holz and I am the Project Manager for the Computer Assisted Learning Center, or CALC, which is located at the Hilo Public Library. CALC is an adult literacy program funded entirely through grants, donations and fundraising activities. According to a study done by the Governor's Office of Children and Youth in 1989, 51% of the adults in East Hawaii (our side of this island) are functionally illiterate.

As you can see by these statistics, improving literacy among our residents is critically important. As with many non-profits, obtaining the funding necessary to provide the needed services in our communities is very difficult. Historically, despite the critical service we provide to our community, we have had only two corporate sponsors who were willing to partner with us in our efforts to improve the literacy of adults in East Hawaii. And only one of those sponsors, Verizon, has been consistently faithful in their support here in the islands, and across the nation.

Thus, initially, I was concerned about the possibility of losing the support that Verizon provides for adult literacy organizations such as ours; organizations which provide services so critical to our residents' quality of life. Obviously, the likelihood that Verizon would continue to support projects in our communities would be much smaller if it does not have the same presence in Hawaii that it has today.

On the plus side, I have learned that the leadership and employees of Verizon Hawaii will continue as employees of Hawaiian Telcom. This continuity will help to ensure that the people who provide the essence of the company, and have been the ties to those of us working in our communities, will be the ones we will be working with in the future. This is reassuring to non-profit organizations such as CALC who depend so heavily on the active participation of corporations.

I am still uncertain about their and Hawaiian Telcom's commitment to our local communities, especially regarding the state of literacy in Hawaii. It is our hope that Hawaiian Telcom will continue with The Carlyle Group's history of being an active member of the communities where they have a presence, and with Verizon's history of supporting adult literacy efforts in Hawaii.

While we hate to lose a company such as Verizon Hawaii – a company whose employees have understood the importance of good corporate citizenship – we look forward to working with Hawaiian Telcom, hopefully in a similar partnership.

If Hawaiian Telcom is interested in continuing the partnerships started by Verizon, as well as retaining the employees that have established ties with those of us who serve our communities, then I and others at CALC support this transaction.

Thank you for the opportunity to provide this testimony.

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